(b) whether Government have contemplated for negotiations with China to regain territory; and

(c) if so, what is the progress?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI OMAR ABDULLAH): (a) China continues to be in illegal occupation of approximately 38,000 sq. kms. in the Indian State of Jammu & Kashmir. In addition, under the so-called Sino-Pakistan Boundary Agreement of 1963, Pakistan illegally ceded 5,180 sq. kms. of Indian territory in Pakistan Occupied Kashmir to China.

(b) and (c) India and China seek a fair, reasonable and mutually acceptable settlement of the boundary question through peaceful consultations. Wc signed an agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control in the India-China Border Areas in 1993 and a second agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas in 1996. These two Agreement provide an institutional framework for the maintenance of peace and tranquillity in the border areas. Both sides have also agreed to expedite the process of LAC clarification within existing mechanisms.

Indo-Norwegian Cooperation

528. SHRI B.J. PANDA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) the areas in which Indo-Norway cooperation have been established;

(b) whether Government have a proposal to establish strong ties with Norway;

(c) whether the matter has been discussed with the Norwegian Prime Minister during his last visit to New Delhi;

(d) if so, the new areas which have been identified for Indo-Norwegian bilateral relations; and

(e) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI OMAR ABDULLAH): (a) to (c)Yes, Sir. As a result of the visit of Mr. Jens Stoltenberg, the Norwegian Prime Minister to India from 19th to 23rd April, 2001, ongoing cooperation between India and Norway, both at the

bilateral level and in multilateral fora, have been strengthened. Norway supports India's candidature for permanent membership of the United Nations Security Council. Indo-Norwegian economic cooperation has been established in the areas of hydro power, shipping, metallurgy, information technology, scientific research and management studies and space.

(d) and (e) During the visit of the Norwegian Prime Minister, the new areas identified for bilateral cooperation include environment, energy, metallurgy, marine and agricultural products, ports, space, information technology, biotechnology, health, oil and gas and desalination of water. An Indo-Norwegian Joint Commission at the ministerial level for trade, economic and scientific cooperation is also being established.

Indian Demand for Most Favoured Nation Status

529. SHRI NANA DESHMUKH: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that Pakistan's business community has endorsed India's demand for granting Most Favoured Nation (MFN) status;

(b) whether it is also a fact that Pakistan's military regime has rejected the proposal;

(c) whether the issue was taken up by the Prime Minister with General Musharraf during his recent visit to the country; and

(d) if so, what has been the outcome?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI OMAR ABDULLAH): (a) to (d) Pakistan has not granted reciprocal MFN status to India. It allows only a limited number (600) items to be imported from India. During his Summit Meeting with the Pakistan President in Agra on 15.7.2001, Prime Minister proposed that a group of experts of both countries be constituted to recommend measures to increase bilateral trade, economic and technical interaction between the two countries.

Increasing number of foreign establishments

530. MISS MABEL REBELLO: Will the Minsiter of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that foreign office establishments have grown enormously over the years;